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Application of Virginia Electric and Power Company, For approval of a voluntary renewable energy rate, designated Rider REC, pursuant to § 56-234 A of the

Code of Virginia

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Comments of the Maryland-DC-Delaware-Virginia

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August 15, 2019

VIA ELECTRONIC FILING

Joel H. Peck, Clerk c/o Document Control Center State Corporation Commission 1300 E. Main Street Richmond, VA 23219

Re:

Application of Virginia Electric and Power Company, For approval of a voluntary renewable energy rate, designated Rider REC, pursuant to § 56-234 A of the Code of Virginia

Case No. PUR-2019-00081

Dear Mr. Peck:

Please accept this letter as the Comments of the Maryland-DC-Delaware-Virginia Solar Energy Industries Association ("MDV-SEIA") regarding Dominion's application for approval of Rider REC.¹ MDV-SEIA is a regional chapter of the national Solar Energy Industries Association, a trade association supporting the solar energy industry. MDV-SEIA's members sell, integrate, install, maintain, and finance solar energy equipment for residential, commercial, and institutional customers throughout Virginia.

Rider REC would be a voluntary renewable energy offering available to Dominion's residential and non-residential customers. The Commission has the discretion, pursuant to several statutes, to analyze Rider REC and determine whether the proposal is reasonable and in the public interest. MDV-SEIA is concerned that approval of Rider REC may not align with – and may negatively affect –the interests of Virginia's growing solar industry.

For this reason, MDV-SEIA offers the following for the Commission's consideration:

(1) Rider REC offers "lower-quality" RECs that may not support any new renewable energy development.

Dominion states that Rider REC is a "lower cost" REC option that "aims to build on the success of the long-standing Green Power Program by broadening the geographic boundaries and available renewable energy supply options from which RECs will be procured on customers' behalf." Unlike Dominion's existing

¹ The comments expressed in this filing represent the position of MDV-SEIA as an organization but may not represent the views of any particular member of MDV-SEIA. For information about MDV-SEIA and its membership, please visit MDV-SEIA's website at www.mdvseia.org.

² Direct Testimony of Derek L. Wenger at 2.

Green Power Program, Rider G, Rider REC renewable energy certificates would not have to meet the Center for Resource Solutions' Green-e certification. Green-e certification requires that RECs must be used within 21 months from generation, and that RECs cannot be obtained from facilities more than 15 years old. Rider REC appears to be a significantly lower-cost and lower-quality version of Dominion's existing REC tariff. Currently, customers may subscribe to Rider G by paying an additional rate of 1.3 cents/kWh; meanwhile the cost of Rider REC would be 0.10 cents/kWh. MDV-SEIA is concerned that customers may think that by subscribing to Rider REC that they would be purchasing renewable energy or supporting the development of new zero-carbon resources such as solar and wind generation.

(2) It is unclear if Rider REC would utilize any RECs associated with solar energy.

MDV-SEIA is also concerned that Rider REC may not contain *any* RECs associated with solar generation. Dominion's application states that Rider REC would utilize renewable energy certificates associated with any generation source that qualifies as "renewable energy" under Virginia law. This includes sustainable and unsustainable biomass, landfill gas, and municipal solid waste incineration. The Commonwealth's solar energy industry represents one of the fastest-growing sectors of Virginia's economy. MDV-SEIA has some concern that Dominion's customers may choose to subscribe to Rider REC instead of investing in real, Virginia-based solar energy resources.

(3) Customers may mistakenly believe that, by subscribing to Rider REC, they would be purchasing renewable energy or doing something good for the environment.

Finally, MDV-SEIA urges the Commission to scrutinize how Rider REC would be marketed to customers. For example, will customers be told they are purchasing renewable energy? Will marketing materials include pictures of solar arrays and/or wind farms or highlight potential greenhouse gas reductions? Any Rider REC marketing activities should be truthful, transparent, and should not suggest that by purchasing "lower-cost" RECs customers would be purchasing or using renewable energy.

In light of these concerns, MDV-SEIA urges the Commission to carefully scrutinize Dominion's filing. In particular, the Commission should evaluate whether Rider REC would further – or detract from – the renewable energy goals articulated by the General Assembly in Section 67-102 of the Code of Virginia. If the Commission is not satisfied that Rider REC would, at a minimum, do no harm to Virginia's renewable energy industry, MDV-SEIA urges the Commission to reject the proposal.

On behalf of Virginia's solar industry, I appreciate the Commission's thoughtful consideration of the foregoing Comments.

Sincerely,

/s/ David Murray

David Murray

Executive Director
Maryland-DC-Delaware-Virginia Solar Energy Industries Association